

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Municipal Administration and Urban Development Department – Bus Rapid Transit System
- Formation of Special Purpose Vehicle (SPV) for implementation and operation of BRTS in
Vijayawada – Orders – Issued.

MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (H1) DEPARTMENT

G.O.Ms.No.816

Dated the 26th November, 2008.

Read the following:-

1. Note File Case No.JAP/BRTS (6)/2007-JNNURM, dated 22.9.2007 of APSRTC.,
2. Government Letter No.24416/H1/2007-1, MA&UD Dept., dated 7.3.2008.
3. From the VC & MD., APSRTC, No.JAP/BRTS(6)/2007-JnNURM, dated 9.5.2008.
4. Government Letter No.24416/H1/2007-2, MA&UD Dept., dated 22.5.2008.
5. From the VC & MD., APSRTC, No.JAP/BRTS(6)/2007-JnNURM, dated 4.6.2008 and 23.6.2008.
6. Government Letter No.24416/H1/2007-5, MA&UD Dept., dated 3.10.2008.
7. From the Chief Civil Engineer, O/o. the MD, APSRTC., Letter No.JAP/BRTS(6)/2007-JnNURM, dated 5.11.2008.

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ORDER:

Vijayawada is the third largest city in terms of population in the state after Hyderabad and Visakhapatnam. Its population has doubled in the last two decades and continues to grow at a high rate. It is considered as the agricultural and commercial hub of the State. Vijayawada Urban Agglomeration, of which the Vijayawada Municipal Corporation is a part, had a population of 10.34 lakhs as per 2001 census. The population living within the Municipal Corporation was 8,45,217 as per 2001 census with a decadal growth of 20.4%(1991-2001). It is reported that the city is witnessing rapid increase in number of motorized vehicles with personalized vehicles contributing more than 60% of the total number.

2. With rapid growth in personalized vehicles, the congestion on the roads are increasing day by day, which is leading to increased travel time and vehicular pollution. There is an urgent need to improve public transport to wean away the daily commuters from using personalized transport, which would go a long way in mitigating traffic and transportation problems, reducing congestion besides improving the quality of life in the city. The National Urban Transport Policy, 2006 is encouraging the implementation of Bus Rapid Transit System for major cities and the Central Government is coming forward with financial assistance through Jawaharlal Nehru National Urban Renewal Mission for the implementation of such Bus Rapid Transit Systems. As per the National Urban Transport Policy, such Public Transit Systems have to be set up through the mechanism of Special Purpose Vehicles (SPV).

3. It has been reported that the city has the required right of way along major routes to deploy a user friendly Bus Rapid Transit System (BRTS) which has an immense potential to increase ridership of the public transport system including facilities for the physically challenged. In this regard, Detailed Project Report on Bus Rapid Transit System for Vijayawada was undertaken by the Commissioner, Vijayawada Municipal Corporation through Administrative Staff College of India (ASCI), Hyderabad. The Commissioner, Vijayawada Municipal Corporation has submitted the Detailed Project Report on Bus Rapid Transit System prepared for the Vijayawada City to Government of India for approval which among other things, envisages the formation of Special Purpose Vehicle for implementation and operation of the BRTS.

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4. Government of India (GoI) have approved the implementation of BRTS in Vijayawada for a Pilot Corridor of 15.5 Kms. under Jawaharlal Nehru National Urban Renewal Mission (JnNURM) and the total estimated cost of the project is Rs.152.64 crores, subject to formation of a Special Purpose Vehicle for implementation, viz...

From Police Control Room via Railway Station-C.K.Reddy Road-Satyanarayana Puram Railway Track Road- Machavaram Down-Ramavarappadu junction-NTR Health University-Benz Circle - IGMC Stadium to State Guesthouse Junction (PWD Ground Junction).

5. Government have examined the issue of Bus Rapid Transit System for Vijayawada in consultation with APSRTC, Transport, Roads and Buildings Department and the Vijayawada - Guntur - Tenali - Mangalagiri Urban Development Authority, who have suggested for the formation a Special Purpose Vehicle for implementation of the Vijayawada Bus Rapid Transit System with APSRTC, Vijayawada – Guntur - Tenali - Mangalagiri Urban Development Authority and Vijayawada Municipal Corporation as stakeholders.

6. Government, hereby approve the formation of Special Purpose Vehicle for implementation and operationalization of the proposed Bus Rapid Transit System for Vijayawada City and its surroundings.

7. The name of the proposed Special Purpose Vehicle shall be **“VIJAYAWADA URBAN TRANSPORT COMPANY LIMITED”** and the main objectives of the proposed SPV Company shall be:

- To provide Bus Rapid Transit System to the public by way of planning, designing, financing, developing, constructing, maintaining, marketing, operating and enabling BRTS
- To provide and/ or facilitate provision of multi model transportation services including owning, licensing and operating bus routes, passenger and other modes of transport.
- To serve as a single agency which will facilitate, coordinate, control and monitor the activities of various public and private partners that are an integral part of the BRTS planning, implementation and operational functions.
- To engage in and/or to facilitate development and operation of mass transit system.

8. In the Special Purpose Vehicle, the APSRTC would be the major stakeholder with 51% equity, the Vijayawada Municipal Corporation with 25% equity & Vijayawada Guntur Tenali Mangalagiri Urban Development Authority with 24% equity as other stakeholders. The Special Purpose Vehicle shall be governed by a Board of Directors and shall be answerable to the State Government, the Government of India and all other stakeholders for undertaking timely completion of the project and **operationalizing** of the system as per the technical specifications, performance criteria, and safety standards as indicated in the bid documents.

9. The company shall be governed by the following Board of Directors, and the term of the Board shall be initially for a period of 5 years subject to the conditions laid down in the Articles of Association.

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| 1. Commissioner,
Vijayawada Municipal Corporation | --- | Chairman. |
| 2. Executive Director, APSRTC,
Vijayawada and Visakhapatnam zones | --- | Managing Director. |

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| 3. Vice-Chairman,
Vijayawada – Guntur – Tenali - Mangalagiri
Urban Development Authority | --- | Director. |
| 4. District Collector, Krishna District | --- | Director. |
| 5. Commissioner of Police, Vijayawada | --- | Director. |
| 6. Deputy Transport Commissioner,
Vijayawada | --- | Director. |
| 7. Regional Manager, APSRTC,
Krishna Region | --- | Director. |

10. The company shall be incorporated with an Authorized Share Capital of **Rs.2,50,00,000/-(Rupees Two Crores and fifty lakhs only)** divided in to 25,00,000 (Twenty Five Lakhs only) equity shares of Rs.10/- (Rupees ten only) each. The minimum paid up share capital of the company shall be Rs.5,00,000/- (Rupees Five lakhs only).

11. The Commissioner, Vijayawada Municipal Corporation and Chairman of the Special Purpose Vehicle is hereby permitted to file an application with the Registrar of Companies for registration of the Special Purpose Vehicle under the name “**VIJAYAWADA URBAN TRANSPORT COMPANY LIMITED**”.

12. The Vice Chairman and Managing Director, APSRTC and the Commissioner, Vijayawada Municipal Corporation and Chairman of the Special Purpose Vehicle are directed to take further action for implementation and operationalisation of the Bus Rapid Transit System for Vijayawada keeping in view the interest of the Government and for ensuring smooth execution of the project as expeditiously as possible.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.C.V.S.K.SARMA,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Vice Chairman and Managing Director, APSRTC.,
The District Collector, Krishna District, Vijayawada.
The Commissioner, Vijayawada Municipal Corporation.
The Vice Chairman, VGTM UDA.,
The Commissioner of Police, Vijayawada.
The Deputy Transport Commissioner, Vijayawada.
The Executive Director, APSRTC, Vijayawada and Visakhapatnam zones.
The Regional Manager, Krishna Region, Vijayawada.

Copy to:
The Principal Finance Secretary (W&P), Finance Department.
The Principal Secretary to Government (Transport), TR&B Department.
The Secretary to Government, (LA), Law Department.
The Special Secretary to Chief Minister.
The Advisor to Government, Municipal Administration and Urban Development Department.
The Principal Secretary to Government, MA&UD Department.
The E.O., Principal Secretary to Government, MA&UD Department.
The Secretary to Government, MA&UD Department.
The Private Secretary to Chief Secretary to Government.
The Private Secretary to Minister (MA&UD).
The Finance (Expr.M&F) Department.
The General Administration (Cabinet) Department..
(with reference to Council Resolution No. 320/2008, dated 24.9.2008.)
Sf/Sc.

//FORWARDED::BY ORDER//

SECTION OFFICER